

### C3. CHAPTER 3

#### RECONCILIATION FOR CLOSURE OF SSC CASES

##### C3.1. CHAPTER OVERVIEW

FMS cases and/or lines become SSC after meeting eligibility requirements prescribed in section C2.16. A line is reconciled for closure when it is SSC. A case becomes a candidate for closure when all lines are SSC. Reconciliation requires an in-depth review of the case and/or line commitments, obligations, deliveries, and expenditures in various financial and logistical systems. Reconciliation is an iterative and continual process from implementation of the case through to closure. Members of the FMS community reconcile SSC cases and lines to decide if unresolved financial and logistical conditions exist. This includes a thorough review of the case and/or line to find if excess funds exist on a case that would justify a Modification to drawdown the appropriate amount of funds. This chapter addresses the various processes used when a case and/or line becomes SSC including, but not limited to, deciding closure types and closure method, assigning closure priorities, completing closure verifications, making LOA changes, assigning closure inhibitors, and reconciling ULOs. This chapter also outlines the various issues associated with each of those overlapping processes that occur when a case and/or line becomes SSC.

##### C3.2. ORGANIZATIONAL ROLES AND RESPONSIBILITIES

###### C3.2.1. The IA shall:

C3.2.1.1. Do all SSC functions prescribed in Volume 15 of reference (b) and in reference (c).

C3.2.1.2. Reconcile SSC cases.

C3.2.1.3. Ensure delivery reporting to DIFS is complete.

C3.2.1.4. Resolve SDRs.

C3.2.1.5. Review and reconcile annual case and payment schedules IAW the requirements for SSC cases in Figure C2.F4.

C3.2.1.6. Ensure timely notification of case logistical and financial status to purchasers by updating systems, processing LOA Amendments and Modifications, realigning funds, and preparing the SSC notification letter.

C3.2.1.7. Process and/or accept all funding documents (e.g., MIPRs) and associated documentation and adhere to audit trail requirements.

C3.2.1.8. Complete verification steps required, based on closure type. For ACCP cases, to the maximum extent possible, this involves preparing the case for direct final ('C3') closure.

C3.2.1.9. Meet with stakeholders (including purchasers) to resolve issues.

C3.2.1.10. Resolve PDs in coordination with DFAS.

C3.2.1.11. Validate and adjust the ULO value as appropriate.

C3.2.1.12. Conduct FMS reviews (internal and external with purchaser).

C3.2.2. The DSCA shall:

C3.2.2.1. Publish and update SSC policies.

C3.2.2.2. Maintain a roster of ACCP participating countries.

C3.2.2.3. Serve as the final arbiter for case reconciliation issues raised by IAs and DFAS.

C3.2.2.4. Review SDRs valued over \$50,000 for final resolution.

C3.2.2.5. Meet with stakeholders (including purchasers) to resolve issues.

C3.2.3. DFAS Denver shall:

C3.2.3.1. Work with MILDEPs and/or IAs on reconciling cases, including identifying and clearing closure inhibitors on SSC cases.

C3.2.3.2. Do all accounting functions as prescribed Volume 15 of reference (b) and in reference (c).

C3.2.3.3. Meet with stakeholders (including purchasers) to resolve issues.

C3.2.3.4. Resolve PDs in coordination with IAs.

C3.2.3.5. Provide systemic feedback reporting to IAs.

C3.2.4. Purchasers shall:

C3.2.4.1. Advise IAs and/or DSCA which cases are desired for closure and those that are to be kept open.

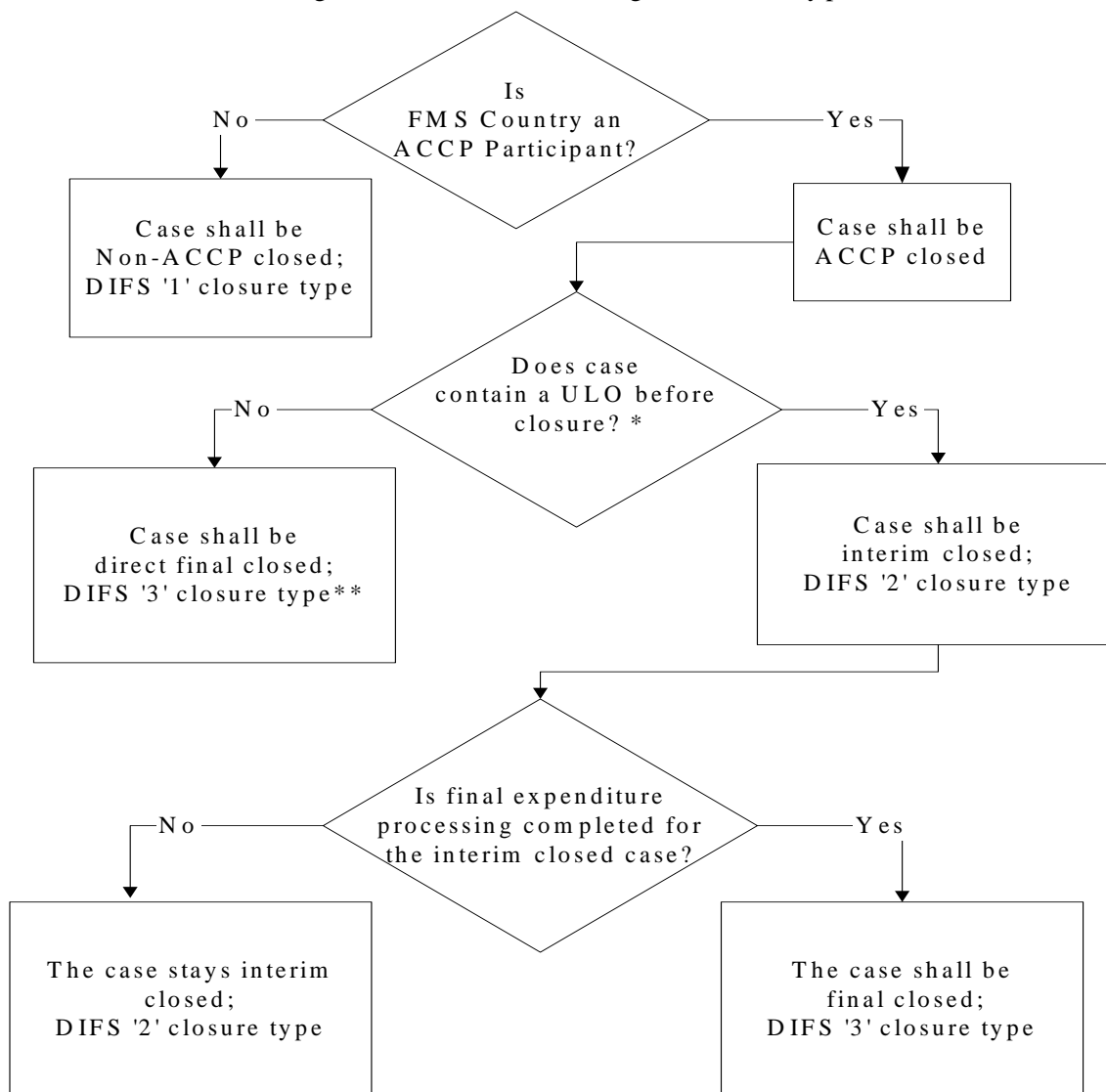
C3.2.4.2. Advise if SDRs shall be submitted for SSC cases and/or lines.

- C3.2.4.3. Remit any final payments due to process the case for closure.
- C3.2.4.4. Coordinate closure decisions between the MND or equal level and the purchaser's Military Department and/or program office level.
- C3.2.4.5. Indicate if case reductions are desired before closure.
- C3.2.4.6. Meet with the USG to resolve issues.

### C3.3. CLOSURE TYPES

Two types of closure exist: ACCP and non-ACCP. (See Figure C3.F1., below.)

Figure C3.F1. Deciding Closure Type



\* Under ACCP, a case with a ULO value of zero may close direct final, even if the underlying contract(s) has/have a ULO.

\*\* Direct final closures are the preferred closure type to the fullest extent possible.

C3.3.1. ACCP. ACCP is the standard closure process. This type of closure allows a case to be closed after SSC, even if there are outstanding ULOs on the case. (See paragraph C3.12.) Purchaser funds are placed in a CCSA pending final resolution of the ULOs. This program is voluntary, except for those countries that have FMF-funded programs, who are mandatory participants. Most countries or international organizations participate or are automatically included in the ACCP process. (See Table C3.T1., which is an expansion of Table C4.T2. of reference (c).) DSCA/OPS-ADMIN maintains the master list of countries participating in the ACCP program. There are three categories of ACCP closure: the normal process, EACC, and DSCA-directed force closures. EACC and force closure are means for enforcing closure of ACCP cases. (See Table C3.T1.)

Table C3.T1. Master ACCP Participating Country Table (Sorted by CC)

<u>ACCP PARTICIPANT</u>	<u>CC</u>	<u>NOTES (if applicable)</u>
ORGANIZATION (ORG) OF AMERICAN STATES	A1	
ORG OF AFRICAN UNITY	A3	
UNITED NATIONS OFFICE FOR THE COORDINATION OF HUMANITARIAN ASSISTANCE TO AFGHANISTAN	A4	
UNITED NATIONS DEPARTMENT OF HUMANITARIAN AFFAIRS	A5	
ANTIGUA AND BARBUDA	AC	
UNITED ARAB EMIRATES	AE and TC	
AFGHANISTAN	AF	
ALGERIA	AG	
AZERBAIJAN	AJ	
ALBANIA	AL	
ARMENIA	AM	
ANGOLA	AO	
ARGENTINA	AR	
AUSTRALIA	AT	ULO notification threshold: greater than \$125,000; purchaser has 14 days to reply
AUSTRIA	AU	
BAHRAIN	BA	
BARBADOS	BB	
BOTSWANA	BC	
BAHAMAS	BF	
BANGLADESH	BG	
BELGIUM	BE	
BELIZE	BH	
BOSNIA-HERZEGOVINA	BK	
BOLIVIA	BL	
MYANMAR (FORMERLY BURMA)	BM	
SOLOMON ISLANDS	BP	
BHUTAN	BT	
BULGARIA	BU	
BRUNEI	BX	
BURUNDI	BY	
BAHRAIN NATIONAL GUARD	BZ	

<u>ACCP PARTICIPANT</u>	<u>CC</u>	<u>NOTES (if applicable)</u>
CAMBODIA	CB	
CHAD	CD	
SRI LANKA	CE	
CONGO (BRAZZAVILLE)	CF	
PEOPLES REPUBLIC OF CHINA	CH	
CHILE	CI	
CAMEROON	CM	
CANADA	CN	Notify purchaser of any case where the ULO falls below zero after interim closure
COLOMBIA	CO	
COMOROS	CR	
COSTA RICA	CS	
CENTRAL AFRICAN REPUBLIC	CT	
CAPE VERDE	CV	
COOK ISLANDS (NEW ZEALAND)	CW	
CONGO (KINSHASA)	CX	
BOLIVIA (COUNTER-NARCOTIC (NARC))	D1	
PERU (COUNTER-NARC)	D3	
COLOMBIA (COUNTER-NARC)	D5	
ECUADOR (COUNTER-NARC)	D6	
BENIN	DA	
DENMARK	DE	
DJIBOUTI	DJ	
DOMINICA	DO	
DOMINICAN REPUBLIC	DR	
ECUADOR	EC	
EGYPT	EG	
IRELAND	EI	
EQUATORIAL GUINEA	EK	
ESTONIA	EN	
ERITREA	ER	
EL SALVADOR	ES	
ETHIOPIA	ET	
CZECH REPUBLIC	EZ	
EUROPEAN PARTICIPATING GROUP (EPG), BELGIUM	F1	Get approval from purchaser before closing any F1 case
EPG, DENMARK	F2	

<u>ACCP PARTICIPANT</u>	<u>CC</u>	<u>NOTES (if applicable)</u>
EPG, NETHERLANDS	F3	
EPG, NORWAY	F4	
FINLAND	FI	
FIJI	FJ	
MICRONESIA	FM	
GAMBIA	GA	
GABON	GB	
GEORGIA	GG	
GHANA	GH	
GRENADA	GJ	
GREECE	GR	
GUATEMALA	GT	
GUYANA	GU	
GUINEA	GV	
GERMANY	GY	Cases with zero ULO shall close direct final; cases with ULO must receive Germany approval to interim close.
HAITI	HA	
HONDURAS	HO	
CROATIA	HR	
HUNGARY	HU	
INDONESIA	ID	
ICELAND	IL (IC)	
INDIA	IN	
ISRAEL	IS	ULO notification threshold: greater than \$100,000; purchaser has 14 days to reply (may be up to 30 days)
ITALY	IT	
COTE D'IVOIRE	IV	
JAPAN	JA	
JAMAICA	JM	
JORDAN	JO	
C3 AGENCY (NC3A)	K4	
KENYA	KE	
KRYGYZSTAN	KG	
KIRIBATI	KR	
KOREA, REPUBLIC OF (SEOUL)	KS	



<u>ACCP PARTICIPANT</u>	<u>CC</u>	<u>NOTES (if applicable)</u>
KUWAIT	KU	
KAZAKSTAN	KZ	
LAOS	LA	
LEBANON	LE	
LATVIA	LG	
LITHUANIA	LH	
LIBERIA	LI	
SLOVAK REPUBLIC	LO	
LESOTHO	LT	
LUXEMBOURG	LX	
NATO HAWK PRODUCTION AND LOGISTICS ORGANIZATION (NHPLO)	M6	Consult with NHPLO before closing cases
MADAGASCAR	MA	
MOLDOVA	MD	
MALAYSIA	MF	
MONGOLIA	MG	
MALAWI	MI	
MACEDONIA	MK	
MOROCCO	MO	
MAURITIUS	MP	
MAURITANIA	MR	
MALTA	MT	
OMAN	MU	
MEXICO	MX	
MOZAMBIQUE	MZ	
NETHERLANDS	NE	ULO notification threshold: greater than \$250,000; purchaser must approve closing case. Also, cases where actual billings exceed ULO by \$50,000 may be reopened.
VANUATU	NH	
NIGERIA	NI	
NIGER	NK	
NORWAY	NO	
NEPAL	NP	
SURINAME	NS	
NICARAGUA	NU	
NEW ZEALAND	NZ	
PARAGUAY	PA	

<u>ACCP PARTICIPANT</u>	<u>CC</u>	<u>NOTES (if applicable)</u>
PERU	PE	
PHILIPPINES	PI	
PAKISTAN	PK	
POLAND	PL	
PANAMA	PN	
PAPUA NEW GUINEA	PP	
PALAU	PS	
PORTUGAL	PT	
GUINEA-BISSAU	PU	
QATAR	QA	
MARSHALL ISLANDS	R1 (RM)	
MALI	RM	
ROMANIA	RO	
RUSSIA	RS	
RWANDA	RW	
SLOVENIA	S3	
FOREIGN ASSISTANCE ACT (FAA) of 1961 (reference (l)), SECTION 632 TRANSACTIONS	S4	
SECTION 607 of the FAA (reference (l)) REIMBURSABLE	S5	
SECTION 607 of the FAA (reference (l)) PAYMENT IN ADVANCE	S6	
NATIONAL DEFENSE AUTHORIZATION ACT (reference (m)), SECTION 1033 TRANSACTIONS	S7	
Reference (m) SECTION 1004 TRANSACTIONS	S8	
PRESIDENTIAL DRAWDOWNS	S9	
ST KITTS AND NEVIS	SC	
SEYCHELLES	SE	
SAUDI ARABIA NATIONAL GUARD	SI	
SENEGAL	SK	
SIERRA LEONE	SL	
SINGAPORE	SN	
SOMALIA	SO	
SPAIN	SP	
SAUDI ARABIA	SR	
ST LUCIA	ST	
SUDAN	SU	
SWITZERLAND	SZ	

<u>ACCP PARTICIPANT</u>	<u>CC</u>	<u>NOTES (if applicable)</u>
UNITED NATIONS	T9	
TRINIDAD AND TOBAGO	TD	
THAILAND	TH	
TAJIKISTAN	TI	
TURKEY	TK	
TONGA	TN	
TOGO	TO	
SAO TOME AND PRINCIPE	TP	
EAST TIMOR	TT	
TUNISIA	TU	
TUVALU	TV	
TAIWAN	TW	
TURKMENISTAN	TX	
TANZANIA	TZ	
UZBEKISTAN	U2	
SOUTH AFRICA	UA	
UGANDA	UG	
UNITED KINGDOM	UK	Cases with zero ULO shall close direct final; cases with ULO must receive United Kingdom approval to interim close.
UKRAINE	UP	
BURKINA FASO	UV	
URUGUAY	UY	
ST VINCENT AND GRENADINES	VC	
VENEZUELA	VE	
VIETNAM	VS (VM)	
NAMIBIA	WA	
SAMOA	WS	
SECTION 1107, FY04 SUPPLEMENTAL (TRAIN AND EQUIP AUTHORITY) FOR AFGHANISTAN NATIONAL ARMY	Y2	
SECTION 1107, FY04 SUPPLEMENTAL (TRAIN AND EQUIP AUTHORITY) FOR NEW IRAQI ARMY	Y3	
YEMEN	YE	
SERBIA AND MONTENEGRO	YI	
ZAMBIA	ZA	
ZIMBABWE	ZI	

### C3.3.1.1. ACCP CLOSURE CRITERIA.

\_\_\_C3.3.1.1.1. The case is SSC for at least 1 year. Table C5.T5. of reference (c) provides the mandatory LOA note describing the ACCP closure timeline. The 1 year allows for final reconciliation actions and considers the purchaser's right to submit an SDR associated with the final delivery. However, the 1-year timeframe may be reduced if the purchaser confirms in writing that no additional SDRs shall be submitted.

\_\_\_C3.3.1.1.2. No outstanding SDRs exist when the case is submitted for closure.

\_\_\_C3.3.1.1.3. A case for which a litigation judgment was issued may close under ACCP, even if the settlement has not been paid.

\_\_\_C3.3.1.1.4. All accrued costs and the amount of estimated ULO to be spent after interim closure were computed.

\_\_\_C3.3.1.1.5. The case is paid in full, i.e., collections equal the expected case closure value. If the case is not yet paid in full, the IA shall continue processing the case for closure and shall forward the closure certificate (and associated 'C1' transaction) to DFAS Denver.

C3.3.1.1.6. A case shall be direct final closed (i.e., not interim closed) if the ULO equals zero, even if supporting contracts stay open. The USG and purchaser both prefer that direct final closures are used to the fullest extent possible.

C3.3.1.1.7. For purchasers participating in ACCP, a general understanding exists at the MND (or equivalent organization) level that the USG shall close its cases within 2 years. Should the purchaser want the case to stay open, even though it is SSC, the request must be approved. Usually, DSCA shall require that the purchaser's MND (or equivalent organization) agree that the case stays open. Minutes from a DSCA-sponsored FMR or a request from an official with LOA signature authority serve as an official request from the purchaser.

C3.3.1.1.8. DSCA may enter into special arrangements with specific purchasers regarding the ACCP process for their FMS cases, on an exception basis. Only DSCA/CFM may approve these arrangements. The formal notification on these arrangements is sent via a written memorandum signed by the Director, DSCA Business Operations/Comptroller. Copies of that memorandum are given to all MILDEPs and/or IAs, DFAS Denver, DCMA, and the purchaser.

C3.3.1.1.9. Interim to Final Closure. The IAs, DSCA and DFAS Denver shall continually monitor cases in interim closure for transition to final closure. This eases refund of excess funds in the CCSA maintained at DFAS Denver. (See section C4.14. and Table C4.T1.)

C3.3.1.2. EACC. EACC is a category within ACCP that focuses on closing cases more than 2 years SSC. Cases that are not yet 24 months SSC for ACCP participants are not eligible for EACC. EACC addresses those cases that did not comply with the 2-year closure timeframe for ACCP. The following criteria apply:

C3.3.1.2.1. EACC List Development Process.

C3.3.1.2.1.1. DSCA/OPS-ADMIN carefully selects the cases to be included on the quarterly EACC list. Cases considered for inclusion on the EACC list are found in DSCA FMR Minutes, requests from purchasers, or the “Top 100” case listings submitted quarterly by the MILDEPs as part of the DSCA(Q)1238 report. To the extent possible, the list of new cases selected represents a balance of workload across countries and geographic regions, so as to not unduly burden any one area.

C3.3.1.2.1.2. DSCA/OPS-ADMIN prepares a draft EACC list, and circulates it to the primary closure POCs within the MILDEPs and other IAs, DFAS Denver, and DCMA, as well as to the individual DSCA/CFM Country Finance Directors (CFDs). If valid closure inhibitors exist (see section C3.1.1. below), the MILDEPs and other IAs should reply to the draft list indicating the inhibitors and recommending substitute cases. The list of cases targeted for closure under EACC, described in subparagraph C3.3.1.2., above, is also known as the “Part 1” list.

C3.3.1.2.1.3. The draft list also includes cases that were on the “Part 2” list. These cases were originally considered for closure under EACC; however, DSCA/OPS-ADMIN approved the MILDEP and other IA request to temporarily defer closure until certain conditions were resolved (e.g., an open SDR, PD, or other inhibitors existed). IAs must validate if cases already on the “Part 2” list should stay or be transferred to “Part 1” (i.e., the closure inhibitors identified before no longer exist). All cases on the “Part 2” list shall be moved to the “Part 1” list within a reasonable period of time.

C3.3.1.2.1.4. Once comments on the draft list are reviewed, DSCA/OPS-ADMIN issues a final EACC list. The “Part 2” list is a component of the overall EACC package issued by DSCA.

C3.3.1.2.1.5. The targeted date for closing cases is specified on the list, and corresponds to end-of-quarter dates March 31, June 30, September 30, and December 31. New cases for closure are added to the September EACC list on an exception basis only, to accommodate the annual ULO refund process described in chapter 5. DSCA publishes the list 3 to 6 months before that targeted closure date.

C3.3.1.2.1.6. DSCA/OPS-ADMIN monitors closure progress on the EACC list.

C3.3.1.2.2. The only “official” EACC list is the one issued by DSCA. Only DSCA/OPS-ADMIN may make changes to any published EACC list. Any requests to adjust

the published EACC list must be sent to DSCA/OPS-ADMIN which sends a response (usually via e-mail) as to its decision.

C3.3.1.2.3. See Figure C3.F2.

C3.3.1.2.4. The quarterly interim-to-final closure review list shall accompany the quarterly EACC list. (See section C4.14. for more information.)

C3.3.1.3. Force Closure. Usually applies to cases that stayed on the DSCA EACC list for more than 3 quarters, but have not yet closed. Force Closure involves DSCA/OPS-ADMIN directing DFAS Denver to “force” close the cases in DIFS. Initially, all cases that are force closed progress to an interim (C2) closure status only. Force closures may not progress to a final (C3) closure status until the MILDEP system imbalances with DIFS are resolved. (See Figure C3.F2.)

C3.3.2. Non-ACCP.

C3.3.2.1. Cases usually have been SSC for at least 1 year to allow for final reconciliation actions and SDR submittal. Table C5.T5. of reference (c) provides the mandatory LOA note describing the non-ACCP closure timeline. While ACCP case closure always has a higher priority, non-ACCP cases with no supporting contracts shall be closed as quickly as possible.

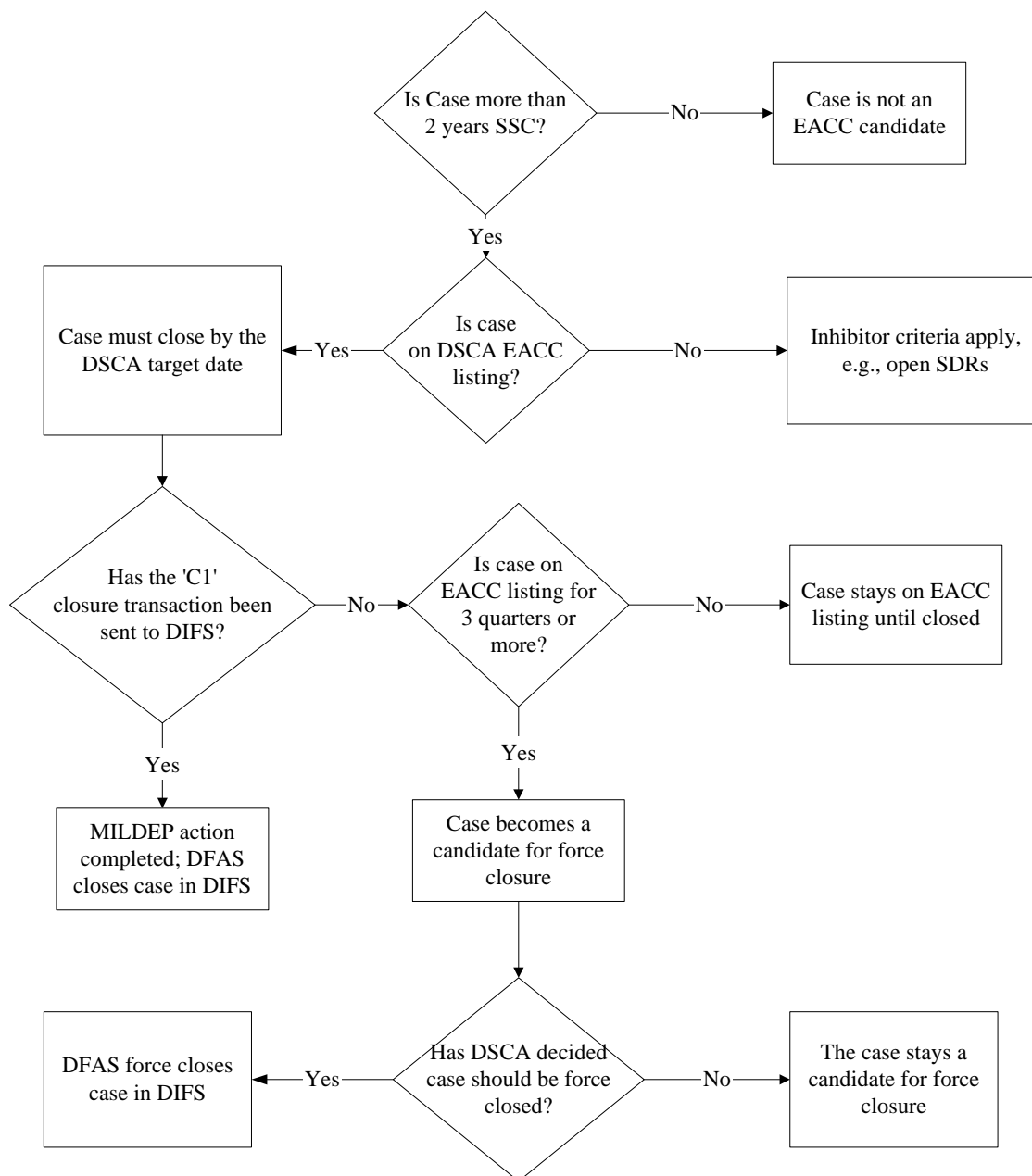
C3.3.2.2. The following criteria for non-ACCP cases apply:

C3.3.2.2.1. All contracts are closed out.

C3.3.2.2.2. All costs are computed, final charged, and collected.

C3.3.2.2.3. All applicable MILDEP systems are fully reconciled with DIFS.

Figure C3.F2. EACC and Force Closure Timeline



#### C3.4. CLOSURE PRIORITIES

C3.4.1. The order of priority for case closure is:

C3.4.1.1. DSCA quarterly EACC listing.

C3.4.1.2. All other ACCP closure candidates.

C3.4.1.3. Non-ACCP closure candidates.

C3.4.2. Only DSCA/OPS-ADMIN may authorize deviations to prioritizing closure for specific FMS cases, countries, or closure categories.

#### C3.5. VERIFICATIONS REQUIRED TO READY THE CASE FOR CLOSURE

The requirements shown in Figure C3.F3. and Tables C3.T2. through C3.T4. are mandatory.



Figure C3.F3. FMS Case Review and Reconciliation Closure Matrix

DoD 5105.65-M

ITEM NUMBER	WHAT TO REVIEW	LOA	DIFS	IA SYSTEM 1/	CASE DIRECTIVE	CASE FILE	CASE MANAGER RECORDS	FUNDING DOCUMENTS	SHIPMENT DOCUMENTS	VOUCHER or EXPENSE	END OF REVIEW TIMEFRAME	WHAT TO DO (RECONCILIATION) 2/
C-1	Conduct Final Reconciliation of MILDEP and DIFS systems	X	X		X	X					C3 (final ACCP closure) or C1 (non-ACCP closure) status	As appropriate, reconcile and close case at lowest level (line of accounting, requisition, Project Directive Line Item (PDLI), or other funding document) as items are delivered to enhance efficiency of overall case closure. Notify the purchaser as LOA lines are SSC and when the case as a whole is SSC. Also reduce internal program and/or case directives to return OA back to the case at case level. Conduct final reconciliation of MILDEP and DoD systems to ensure that systems are reconciled and in balance.
C-2	Decide how the case shall be submitted for closure: ACCP interim, ACCP direct final, or non-ACCP closure	X	X	X		X	X				Before C1 transaction and closure certificate is sent to DFAS Denver	Decide if purchaser is ACCP or non-ACCP participant. If ACCP, decide if case shall be submitted for interim or final closure. If non-ACCP is used, validate all finalized funding documents, all contracts associated with the case physically completed, and all contract completion statements issued. Detailed ACCP and non-ACCP closure procedures are in references (b) and (c) and in this Manual.
C-3	Decide if zero closure value applies	X	X	X		X	X				Before C1 transaction and closure certificate is sent to DFAS Denver	If case was never used and is a potential zero closure value candidate, contact DSCA/CFM to decide if ADMIN costs are applicable. Attach DSCA/CFM response to DFAS Denver Security Assistance Directorate (DFAS-ADY/DE) with case closure certificate if case shall close at zero.
C-4	Convert all E-Bills to A-Bills		X	X		X	X	X	X	X	Before certifying in C2 or C3 status, whichever occurs first	Before submitting any case for FINAL closure, ensure all E-Bills have been converted to A-Bills.
C-5	Develop ULO Value (applies only for ACCP interim and/or C2 closure type)		X	X	X	X	X	X		X	Before C1 transaction and closure certificate is sent to DFAS Denver	Develop ULO values if the purchaser is an ACCP participant and the case shall be submitted for interim closure. This pertains to ACCP and/or EACC interim closure. Simply stated, the ULO value is the difference between the net obligations and expenditures, plus any applicable CAS. It is found by reviewing the MILDEP system and identifying financially open funding documents and their type (reimbursable or DC (acquisitions and/or contracts)). Sum up all the net commitments (contract award and/or incentive fees not yet obligated) and obligations on the open funding documents, include applicable CAS percentages for direct site funding documents, and then add the two together. Annotate the total ULO value and applicable CAS values on the case closure certificate. Prepare any worksheets as required by IA and/or Command procedures and submit to DFAS-ADY/DE before submitting the case closure certificate.

Figure C3.F3. FMS Case Review and Reconciliation Closure Matrix

DoD 5105.65-M

ITEM NUMBER	WHAT TO REVIEW	LOA	DIFS	IA SYSTEM 1/ CASE DIRECTIVE	CASE FILE	CASE MANAGER RECORDS	FUNDING DOCUMENTS	SHIPMENT DOCUMENTS	VOUCHER or EXPENSE	END OF REVIEW TIMEFRAME	WHAT TO DO (RECONCILIATION) 2/
C-6	Conduct activities within MILDEP system to return all monies back to case level			X	X					Before C1 transaction and closure certificate is sent to DFAS Denver	Reduce internal case and/or program directive line items to return OA back to the case at case level
C-7	Prepare case closure certificate		X	X	X	X				Before C1 transaction and closure certificate is sent to DFAS Denver	Prepare case closure certificate and case closure package for review IAW IA and/or Command procedures. A case closure certificate is not required for cases identified as DSCA EACC closure candidates. A certificate shall be passed to DFAS-DE/ADY for IA and/or Command EACC candidates.
C-8	Forward case to DFAS-ADY/DE via MILDEP system		X	X						Before C1 transaction and closure certificate is sent to DFAS Denver	When review is complete and certificate is signed, push case for closure in MILDEP system. Keep a signed hard copy of closure certificate in the case file and e-mail the closure certificate to DFAS-ADY/DE. Ensure internal distribution of electronic certificates IAW IA and/or Command policy and that a current copy of the case closure certificate is attached.

1/ Refers to the IA management information, accounting, finance, and/or other systems used to reconcile FMS cases.

2/ Use of automated tools within the IA systems to perform the functions on this matrix is highly encouraged.

Table C3.T2. Checklist for Direct Final ACCP (Closure Type ‘3’)

1. Case is SSC.
2. No inhibitors for the applicable closure type exist.
3. IA is the same in all systems.
4. Case status is the same in all systems.
5. LOA document designator (e.g., A01, M03) is the same in all systems.
6. Total case and/or line values are the same in all systems.
7. NCVs are the same in all systems.
8. Total above- and below-the-line-charges do not exceed total case value (TCV) certified for closure.
9. Total delivered accessories are validated.
10. Delivered articles and services costs are less than or equal to OA.
11. Delivered quantities for all LOA lines are reconciled among DIFS, DSCA 1200, and IA systems. “E-Bills” converted to “A-Bills”.
12. If case includes major defense equipment (MDE), LOA ordered quantities equal actual delivered quantities.
13. Nonrecurring cost (NC) recoupment charges, if applicable, are reported and processed.
14. Validate actual CAS and LSC as follows: Progress Payment CAS equals Delivered CAS which equals Disbursed CAS; Delivered LSC equals Disbursed LSC.
15. No PDs exist. No associated corrective obligations exist.
16. Total performance equals total disbursements.
17. Progress payments are in balance in all systems and equal liquidating deliveries.
18. OA is the same in all systems.
19. OA is reconciled to obligations.
20. Contract lines and other funding documents are verified as completed and/or closed out.
21. Any and all SDRs accepted were closed.
22. No litigation actions are pending.
23. IA accounting and payment systems are reconciled (or variances are appropriately documented), and non-FMS financial appropriations are reimbursed, as appropriate.
24. All expenditures are processed, all commitments and obligations are liquidated, and expenditures equal obligations.
25. Delivered articles and services value less CAS and LSC equals obligations certified in IA accounting systems.
26. Remarks and/or Comments

Table C3.T3. Checklist for Interim ACCP (Closure Type ‘2’)

1. Case is SSC.
2. No inhibitors for the applicable closure type exist.
3. IA is the same in all systems.
4. Case status is the same in all systems.
5. LOA document designator (e.g., A01, M03) is the same in all systems.
6. Total case and/or line values are the same in all systems.
7. NCVs are the same in all systems.
8. Total above- and below-the-line charges do not exceed TCV certified for closure.
9. Total delivered accessories are validated.
10. Delivered articles and services costs are less than or equal to OA.
11. Delivered quantities for all LOA lines are reconciled among DIFS, DSCA 1200, and IA systems. “E-Bills” are converted to “A-Bills”.
12. If case includes MDE, LOA ordered quantities equal actual delivered quantities.
13. NC recoupment charges, if applicable, are reported and processed.
14. Validate actual CAS and LSC as follows: Progress Payment CAS equals Delivered CAS which equals Disbursed CAS; Delivered LSC equals Disbursed LSC.
15. No PDs exist. No associated corrective obligations exist.
16. Total performance equals total disbursements; any difference must equal the ULO value
17. Section 21 and 22 liquidating deliveries equal progress payments reported; the only allowable difference is due to liquidating LSC, otherwise the difference must equal the ULO value.
18. OA is the same in all systems.
19. OA is reconciled to obligations.
20. The ULO value is computed and validated and performance is reported as a liquidating delivery.
21. Any and all SDRs accepted were closed.
22. No litigation actions are pending or judgments were already issued for all litigations.
23. IA accounting and payment systems are reconciled (or variances are appropriately documented), and non-FMS financial appropriations are reimbursed, as appropriate.
24. Delivered articles and services value (including ULO) less CAS and LSC equals obligations certified in IA accounting systems.
25. Remarks and/or Comments

Table C3.T4. Checklist for Non-ACCP (Closure Type ‘1’)

1. Case is SSC.
2. No inhibitors for the applicable closure type exist.
3. IA is the same in all systems.
4. Case status is the same in all systems.
5. LOA document designator (e.g., A01, M03) is the same in all systems.
6. Total case and/or line values are the same in all systems.
7. NCVs are the same in all systems.
8. Total above and below the line charges do not exceed TCV certified for closure.
9. Total delivered accessories are validated.
10. Delivered articles and services costs are less than or equal to OA.
11. Delivered quantities for all LOA lines are reconciled among DIFS, DSCA 1200, and IA systems. “E-Bills” are converted to “A-Bills”.
12. If case includes MDE, LOA ordered quantities equal actual delivered quantities.
13. NC recoupment charges, if applicable, are reported and processed.
14. Validate actual CAS and LSC as follows: Progress Payment CAS equals Delivered CAS which equals Disbursed CAS; Delivered LSC equals Disbursed LSC.
15. No PDs exist. No associated corrective obligations exist.
16. Total performance equals total disbursements.
17. Progress payments are in balance in all systems and equal liquidating deliveries.
18. OA is the same in all systems.
19. OA is reconciled to obligations.
20. Contract lines and other funding documents are verified as completed and/or closed out.
21. Any and all SDRs accepted were closed.
22. No litigation actions are pending.
23. IA accounting and payment systems are reconciled (or variances are appropriately documented), and non-FMS financial appropriations are reimbursed, as appropriate.
24. All expenditures are processed, all commitments and obligations are liquidated, and expenditures equal obligations.
25. Delivered articles and services value less CAS and LSC equals obligations certified in IA accounting systems.
26. Remarks and/or Comments

### C3.6. CONTRACT AND OTHER FUNDING DOCUMENT STATUS

C3.6.1. Contracts. Contract status shall be decided using available tools and/or data, such as entitlement records, shipping documentation (e.g., DD Form 250, etc.), PCO and/or ACO records, and DD Form 1594/PK9 contract completion statements. The FMS Case Review Matrix (Item #23) (see Figure C2.F4.) addresses required current data for contracts supporting FMS cases. The type of contract decides what is required. The IA shall ensure the following actions have been completed at least at ACRN level or at Contract Line Item Number (CLIN) level if the contract is CLIN specific:

C3.6.1.1. Verify that the obligations and disbursements are accurately recorded in the entitlement system.

C3.6.1.2. Verify that the obligations and disbursements are accurately recorded in the MILDEP accounting system.

C3.6.1.3. Verify that the disbursements in the entitlement system match the contractor claimed paid amount at ACRN level, or at CLIN level, if the contract is CLIN specific.

C3.6.1.4. If discrepancies exist between the entitlement system and the MILDEP accounting system, perform or request that DFAS perform a contract reconciliation.

C3.6.1.5. If the contract is not closed out, get the contract estimated completion date (ECD). Further, inquire what actions are inhibiting contract closeout (e.g., contract litigation, DCAA audit, and/or DFAS reconciliation). This information is required as part of the supporting documentation accompanying the case closure certificate (see Figure C4.F6.).

C3.6.1.6. If the applicable contract has been closed out, and the validations cited in paragraph C3.6.1. have been completed, begin actions to finalize records in the MILDEP accounting system where contract reconciliation was not necessary.

C3.6.2. Other Funding Documents. Once notified that work is completed by the performing activity, get the status of funding documents to finalize records in the MILDEP system.

### C3.7. PDs

A PD is a transaction reported to the Treasury Department's Financial Management Service, but on receipt at the official accounting station cannot be successfully matched to the original obligation or accounts receivable amount for liquidation purposes. All PDs must be resolved before closure. (See section C2.12. for details on the identification and resolution of PDs.)

### C3.8. ROYALTY FEE LINES

A royalty fee represents payment for the right to use a USG technical data package to manufacture defense articles outside the United States. DFAS Denver also collects royalty fees from a purchaser on behalf of a third party and pays fees to that third party. Cases implemented on or after January 1, 1998 shall not include royalty fee processing requirements.

C3.8.1. The DFAS Denver Country Program Manager (CPM) monitors all royalty fee lines on FMS cases. He or she maintains a file of LOAs for producing items from the sale of a technical data package.

C3.8.2. If no royalty fee has been received after a reasonable length of time (at least 1 year, but no later than 2 years after acceptance of the LOA), the CPM contacts the MILDEP and/or IA and asks them to query the country as to production and payment status.

C3.8.3. When the charges are reported to the CPM, the performance transaction 'NU' is input into DIFS. When royalty payments are to be collected and paid by DFAS Denver to a third country, the MILDEP, IA, or command responsible for the LOA or line, notifies the CPM of the number of items produced and the amount to be collected and/or paid. The performance transaction is input to DIFS.

C3.8.4. DFAS Denver prepares a quarterly report of all royalty fee cases and/or lines for the DSCA/Policy, Plans, and Programs (P3) directorate (DSCA(Q)1146 "Unexpired Leases of DoD Property of Any Value").

### C3.9. DEOBLIGATION AND OA DRAWDOWN

Excess OA must be drawn down before generating a 'C1' transaction to DIFS on cases undergoing closure processing. The first step is to deobligate all available OA balances to zero in the MILDEP or other IA accounting system. The MILDEP or other IA sends an 'R' series transaction to DIFS. After the OA is drawn down in the MILDEP system, the 'C1' transaction may be forwarded to begin the closure process. (See Appendices 2 through 6 (forthcoming) for specific details.)

### C3.10. LOA CHANGES

C3.10.1. LOA Amendments are usually not required for SSC cases. DSCA/CFM must approve development of Amendments on SSC cases.

C3.10.2. Modifications are required if expenditures exceed LOA value during reconciliation. Modifications are required to remove any discrepancies between the LOA ordered quantity and actual delivered quantity, for MDE items.

### C3.11. ZERO DOLLAR VALUE CLOSURE REQUESTS

C3.11.1. On occasion, a case may be prepared for closure when no expenditures for articles delivered or services performed were incurred. In this instance, the only accrued expenditure is the administrative surcharge collected to implement the LOA. (The amount collected at that time is usually one-half of the total administrative surcharge assessed on the basic LOA document.) This is usually known as the “front-loaded” administrative cost.

C3.11.2. The IA decides if the case should be closed with the “front-loaded” administrative surcharge kept as an expenditure on the case, or if the case may be closed with no administrative surcharge.

C3.11.2.1. If the IA feels that the “front-loaded” administrative surcharge should be kept, it proceeds with closure without making any adjustments to the closure process for the type (ACCP or non-ACCP) that applies. No approval by DSCA is necessary.

C3.11.2.2. If the IA feels that the “front-loaded” administrative surcharge should be waived, i.e., the case should close at a zero dollar value, a request must be submitted to DSCA/CFM (Attention: Commitment Analyst), preferably via e-mail, that verifies the following:

C3.11.2.2.1. The IA confirms that no expenditures relating to articles delivered or services performed were incurred.

C3.11.2.2.2. The IA requests that DSCA approve closing the case at a zero dollar value.

C3.11.2.3. The DSCA/CFM Commitment Analyst verifies the status of expenditures in DIFS, and sends a written reply to the IA and a copy to DFAS Denver.

C3.11.2.3.1. If approved, the IA may send a zero case closure certificate and transaction to DFAS Denver.

C3.11.2.3.2. If not approved, the IA shall include a note in the comments section of the case closure certificate indicating that DFAS Denver shall include the “front-loaded” administrative surcharge when closing the case.

C3.11.2.4. The IA shall receive the DSCA reply before sending the case closure certificate and transaction to DFAS Denver.

C3.11.3. DFAS Denver procedures for achieving the zero value closure on receipt of the closure certificate and transaction are described in section C4.8.



### C3.12. CLOSURE INHIBITORS

The following standardized inhibitors are shown in order of priority. These inhibitors apply to cases not yet submitted to DFAS Denver for closure. To varying degrees, the existing MILDEP systems have corresponding inhibitors, as well. Appendices 2 through 4 (forthcoming) shall list inhibitors that exist in each system.

Table C3.T5. IA Closure Inhibitor Codes (IHCs)

<u>IHC</u>	<u>INHIBITOR TYPE</u>	<u>INHIBITOR GUIDELINES</u>
SC	Case is not SSC	Based on individual case period of performance. Should be examined as part of annual case review.
KO	Purchaser request (by authorized official) to keep case open	For SSC cases, agreement shall be reached with the purchaser as to the revised ECD. Continued inactivity for 6 months is grounds for revisiting case status with purchaser, to decide if case shall be closed. Itemized listing of cases in this category that are also more than 2 years SSC is reported by MILDEPs on quarterly DSCA(Q)1238 Case Closure Status Report. Review for SSC cases shall be based on an agreed-on date or every 6 months, whichever is longer.
AM	Pending LOA Amendment or Modification	Condition that is cleared when the LOA Amendment or Modification is implemented in both DSAMS and DIFS. Review after 60 days.
EU	Exceeds ULO Threshold	Applies to 'C2' (ACCP interim) status only. Applies only to countries for which DSCA agreed to establish a ULO threshold AND for which the purchaser confirmed that, because the ULO exceeded the threshold, the case shall not be closed. Review every 6 months, or until the ULO falls below the threshold, whichever is earlier.
AF	AFC and/or FTC	See Volume 15, Chapter 2, Section 021202 of reference (b) for guidelines on resolving AFCs. See paragraph C2.11.1. of this Manual for guidelines on resolving FTCs. This condition should be temporary.
FD	Open funding documents (other than open contracts)	Applies to 'C1' (non-ACCP) and 'C3' (ACCP final) status. A non-ACCP case may not close until documentation is received that substantiates that all funding documents supporting that case are closed. An ACCP case may interim (C2) close with funding documents still open. An ACCP case may direct final (C3) close if the ULO value equals zero, even if those documents are still open. See section C3.3., above, for additional guidelines. Review 120 days after document work completion date for SSC cases.

<u>IHC</u>	<u>INHIBITOR TYPE</u>	<u>INHIBITOR GUIDELINES</u>
OC	Open contracts	Applies to 'C1' (non-ACCP) and 'C3' (ACCP final) status. A non-ACCP case may not close until documentation is received that substantiates that all contracts supporting that case are closed out. An ACCP case may interim ('C2') close with contracts still open. An ACCP case may direct final ('C3') close if the ULO value equals zero, even if contracts are still open. See section C3.3., above, for additional guidelines.
CR	Contract reconciliation	Condition that applies to cases closed under 'C1' (non-ACCP) and 'C3' (ACCP final). Is not an inhibitor for 'C2' (ACCP interim). Refer to Case Closure Detail Verifications (section C3.5.) for guidelines.
LP	Litigation pending	Once a judgment is issued, ACCP cases may progress to 'C2' (interim) status. Once all claims are settled, ACCP cases and non-ACCP cases may progress to 'C3' (final) and 'C1' (non-ACCP) status, respectively. Cases shall be reviewed every 6 months.
AA	Awaiting adjustments to resolve imbalances	Temporary condition that shall be resolved when billing adjustments post to the respective system(s). When this inhibitor applies, concrete deadlines for clearing the adjustments shall be assigned. These are usually cleared within 90 days.
SI	Systemic imbalances above write-off thresholds	Imbalances above prescribed FMS write-off thresholds (i.e., more than \$2,500 for PDs and more than \$200 for all others) require intensive actions by multiple activities, depending on the issue. Reconciliation throughout execution of the case identifies conditions as they appear. Chronically unsuccessful attempts to resolve systemic imbalances must be documented in sufficient detail. Discontinued research requests must be approved only by EXCOM.
EB	Estimated deliveries not yet converted to actual deliveries	Relates to estimated delivery transactions and/or billings (E-Bills) not yet made final and/or actual. Applies only to 'C1' (non-ACCP) and 'C3' (ACCP final) status. Does not apply to 'C2' (ACCP interim) if E-Bills are processed for all delivery transactions.
SD	Open SDR	Temporary condition. See reference (c) for prescribed guidelines on clearing SDRs. An SDR is considered closed when the applicable reply code is entered in MILDEP systems. Review after 90 days if case is SSC.
PD	PDs (NULOs, UMDs, In-transits)	Temporary condition. See Volume 3, Chapter 11; Volume 14; and Volume 15, Chapter 8 of reference (b), which prescribes a PD clearance timeline of 90 and 120 days, for policies on resolving PDs.
OA	Requires OA Adjustment	Temporary condition. See Volume 15, Chapter 2 and Volume 3, Chapter 8 of reference (b) and section C3.9. of this chapter on adjustments to OA. Does not apply to cases interim closed under EACC procedures, or when revised OA is less than 110 percent of adjusted NCV.

<u>IHC</u>	<u>INHIBITOR TYPE</u>	<u>INHIBITOR GUIDELINES</u>
SU	Awaiting system updates	Temporary condition that shall be resolved in the next or near-term system cycle updates (i.e., within 90 days).
SS	Country suspensions and/or sanctions	While not inherently a closure inhibitor, a suspension or sanction applicable to a purchaser's FMS program may impact how the cases execute. As suspensions and/or sanctions occur, guidance usually issued by DSCA shall describe the restrictions or constraints applicable to the purchaser's FMS cases.
PS	USG politically sensitive	Relates to restrictions on closing cases due to the case or associated country being politically sensitive to the USG.

### C3.13. ULOs

In its most basic form, the ULO is the difference between obligations and articles and/or services disbursements.

#### C3.13.1. Primary components of a ULO:

C3.13.1.1. Unbilled amounts for contracts.

C3.13.1.2. Unsettled indirect costs, such as general and administrative (i.e., overhead).

C3.13.1.3. Unanticipated accounting transactions.

C3.13.1.4. Unbilled amounts for reimbursable documents.

C3.13.1.5. Un-reconciled systemic accounting differences.

C3.13.1.6. Outstanding commitments for contracts involving incentive or award fees.

C3.13.2. Computing the ULO Value. A ULO is certified when the difference between obligations and articles and/or services disbursements is recorded in the accounting system. Any ULO value that applies to a contract is assessed a ULO CAS value. The sum of the articles and/or services ULO and the CAS ULO is the total ULO.

C3.13.3. Validating the ULO Value. The following procedures are used to validate the ULO value:

C3.13.3.1. Before interim closing a case and/or line, the obligations in the accounting system are validated with the LOA values, funds holder, or source document. OA is adjusted at line level to the obligation value.

C3.13.3.2. Ensure that the DIFS DLVR-ART-SVC-COST data field value less CAS, LSC, and CAS ULO equals obligations.

C3.13.3.3. Reconcile Progress Payments in DIFS to the disbursements in the MILDEP accounting system.

C3.13.3.4. For Contracts. Source documents must be researched to ensure obligations are accurate. Ensure no NULOs exist at contract and/or line level.

C3.13.3.4.1. MOCAS-Paid Contracts. The following steps should be done:

C3.13.3.4.1.1. Obligations. When a difference is identified between MILDEP accounting systems and MOCAS, do a preliminary review to decide what corrective action is required, e.g., obligation, disbursement adjustment, or disbursement in

transit. The line may be closed if the obligation values agree in MOCAS and the MILDEP accounting system. If they do not agree, the obligations in MOCAS shall first be balanced with accounting and contracting systems, and then the case or line shall be interim closed with the accounting system ULO.

C3.13.3.4.1.2. Disbursements. If the disbursements do not agree between MILDEP accounting systems and MOCAS, decide if the discrepancy was due to an internal adjustment (including a ULO refund). If a case and/or line was implemented before January 31, 1989 and a disbursement imbalance exists, verify with DFAS Denver that the case level disbursement upload amount in DIFS is correct. If disbursements may not be balanced after a review, close the line with the accounting system ULO value and give the contract to the IA and/or DFAS contract reconciliation team (who reconciles contracts according to Volume 10, Chapter 20 and Volume 15, Chapter 2 of reference (b) and the DCMA One Book (reference (n)). Although reference (n) does not mandate reconciliation between MOCAS and the accounting system, it does suggest this approach and has valuable information on contract closeouts. Reconciling disbursements is primarily a DFAS function.

C3.13.3.4.2. Non-MOCAS-Paid Contracts. Query the accounting system to decide if the ULO is due to a DFAS internal adjustment or a credit voucher processed without a corresponding de-obligation. Final disbursement vouchers shall be finalized in the accounting system. This also adjusts obligations to disbursements. After the corrections are processed, close the line with the accounting system ULO. The contract reconciliation team established by the contracting officer reconciles the contract to source documents from the contractor or paying office when possible.

C3.13.3.5. For “Above-the-Line” Transportation. When there are no disbursements recorded in the accounting system, verify that the above-the-line transportation actually occurred. Request that the transportation office supplies a Government Bill of Lading (GBL) number and obligates the final cost in the accounting system. Query the accounting system by the GBL number to find where the disbursement is posted. If unable to find the disbursement, close the line with a ULO and put on a suspense log. If the transportation office is unable to supply a GBL, have them obligate an estimated cost and close the line with a ULO. Every 3 months, check the accounting system to find if disbursements have been recorded. If there is a ULO on above-the-line transportation for PC&H costs, then request the transportation office validate the estimated obligation in the accounting system, then interim close the line with the ULO. Every 3 months, check the accounting system to find if disbursements have been recorded.

C3.13.3.6. For Travel Orders. De-obligate excess funds on completed travel. For travel orders that do not have disbursements, decide if TDY was actually taken, or if the trip was canceled. De-obligate funds on trips that were canceled. If the TDY occurred, query the accounting system to find where the disbursement is posted. If the final voucher has not processed, finalize and/or bill the travel at a value equaling the obligation value. The ULO on a travel order shall be liquidated before closure.

C3.13.4. ULO Reporting Transactions. ULO delivery performance is reported to DIFS via performance reporting. Final 'NA' performance transactions are sent to DIFS for each detail record having a ULO value. (See Table C3.T6., below.) The 'NA' reflects Price Codes, DSCs, and Reimbursement Codes consistent with requirements for delivery reporting by DFAS Denver. This transaction must take place before the 'C1' closure transaction is sent to DIFS.

Table C3.T6. ULO 'NA' Transaction

<u>CONTRACT RELATED</u>	<u>PERFORMANCE TRANSACTION</u>	<u>PRICE CODE</u>	<u>DSC</u>	<u>REIM- BURSE- MENT CODE</u>	<u>CAS</u>	<u>DIFS</u>
Yes	'NA' equals estimated ULO plus incremental charges	A	DA-DD	N	Yes*	Section 22 Liquidating
No	'NA' equals estimated ULO plus incremental charges	A	BD	N	No	Section 21 Liquidating

\*A separate 'NA' is sent for the ULO CAS amount related to the ULO estimate. This transaction must take place before the 'C1' closure transaction is sent to DIFS. (See Table C3.T7.)

Table C3.T7. ULO CAS

<u>CONTRACT RELATED</u>	<u>PERFORMANCE TRANSACTION</u>	<u>PRICE CODE</u>	<u>DSC</u>	<u>REIM- BURSE- MENT CODE</u>	<u>CAS</u>	<u>DIFS</u>
Yes	'NA' ULO CAS estimate	A	AB	N	No	Section 21 Liquidating

C3.13.5. Documenting the ULO Value. Supporting documentation for the ULO value is required as part of the case closure certificate for ACCP cases being closed in an interim status. (See the documentation requirements as part of the case closure certificate in Figure C4.F6.) DFAS Denver shall reject an interim closure certificate that lacks this information. In addition, DSCA/OPS-ADMIN shall reconcile interim closed cases with its receipt of the ULO documentation. This supporting documentation shall be given to the purchaser, when asked.

C3.13.6. Adjusting and/or Liquidating the ULO. During interim closure, adjustments to the ULO value assessed during interim closure may occur. The ULO value is adjusted (upwards or downwards) via the 'ND' performance transaction, based on actual post-closure expenditures.

C3.13.6.1. The ULO is adjusted by:

C3.13.6.1.1. Contractor bills.

C3.13.6.1.2. Finalized overhead rates.

C3.13.6.1.3. Final incentive or award fee amounts.

C3.13.6.1.4. Finalized audits.

C3.13.6.1.5. Billing adjustments.

C3.13.6.1.6. Final charge processing.

C3.13.6.2. ULO adjustments for disbursements occur by processing those disbursements through the CCSA. If the ULO adjustment exceeds the original ULO value assigned at interim closure by \$100,000 or more, the MILDEP or other IA may ask for written approval from DSCA to reopen the case. (See C4.15 for more information.)

C3.13.6.3. ULO adjustments for obligations occur as follows:

C3.13.6.3.1. If there is still additional disbursement processing, or de-obligation exceeds \$100K, request to reopen case to de-obligate and reduce deliveries.

C3.13.6.3.2. If there is no additional disbursement processing or de-obligation is less than \$100,000, de-obligation is deferred until the time of CCSA refund to purchaser.

C3.13.6.3.3. Ensure accounting system records show de-obligation before the CCSA refund is made.

C3.13.7. Disbursements after the 'NA' Transaction. On occasion, additional disbursements process after the ULO 'NA' transaction was submitted.

C3.13.7.1. If the 'C1' closure transaction has not been sent to DFAS Denver:

C3.13.7.1.1. Reverse the earlier 'NA' transaction and ULO CAS 'NA' transaction (if applicable), then

C3.13.7.1.2. Resubmit revised 'NA' transaction (and ULO CAS 'NA' transaction, if applicable).

C3.13.7.2. If the 'C1' closure transaction has been sent to DFAS Denver:

C3.13.7.2.1. Submit 'C4' transaction to reverse 'C1' closure transaction (this rescinds and cancels the closure certificate).

C3.13.7.2.2. Reverse earlier ULO ‘NA’ transaction (and ULO CAS ‘NA’ transaction, if applicable).

C3.13.7.2.3. Resubmit revised ULO ‘NA’ transaction (and ULO CAS ‘NA’ transaction, if applicable).

C3.13.7.2.4. Resubmit revised ‘C1’ closure transaction and closure certificate.

#### C3.14. SYSTEMS INTERFACES

Table C3.T8. shows the interfaces between the various systems. (See Appendices 2 through 4 (forthcoming) for more detailed information.)

Table C3.T8. Systems Interfaces for Reconciliation for Closure

<u>INTERFACE</u>	<u>TRANSACTION</u>	<u>SYSTEM</u>	
		<u>FROM</u>	<u>TO</u>
Requisition case forecast data	‘BK’	IA	DIFS
Commitment, obligation, and expenditure data at case, line, and appropriation level		MILDEP	DSAMS
LOA Modification values (case, line, and appropriation level)		DSAMS	MILDEP
Notice of Funds Received	‘CGI’	DIFS	DSAMS
LOA Modification values (case, line item, and payment schedule)	‘CC’ ‘CF’ ‘CG’ ‘CP’ ‘CQ’ ‘C3’	DSAMS	DIFS
OA	‘R’ series	MILDEP	DIFS
Obligations (DC and reimbursable)	‘R’ series	MILDEP	DIFS
EA request	‘SZI’	MILDEP Accounting System	DIFS
EA issuance	‘SZF’	DIFS	MILDEP Accounting



<u>INTERFACE</u>	<u>TRANSACTION</u>	<u>SYSTEM</u>	
		<u>FROM</u>	<u>TO</u>
PTC		DIFS	MILDEP
		And	
		MILDEP	DIFS
Performance Reporting of WIP	‘ND’	MILDEP	DIFS
Performance Reporting of Final Delivery	‘NA’	MILDEP	DIFS
Performance Delivery reporting below-the-line	‘NX’	MILDEP	DIFS
Major End Item physical delivery reporting	‘C1’	MILDEP	DIFS
Total Disbursement value reported to Treasury (8242)	‘SD’	MILDEP	DIFS
Intraservice Disbursement	‘SF’	MILDEP	DIFS
Buyer Interfund Disbursement Detail	‘SI’	MILDEP	DIFS
Seller Interfund Disbursement Summary	‘SJ’	MILDEP	DIFS
Notification of Seller Interfund Disbursement; country level receipt of billing	‘SJN’	DIFS	MILDEP
TFO; Cross-Disbursement	‘SX’	MILDEP	DIFS
Notification of TFO	‘SXN’	DIFS	MILDEP
TBO; Interservice Cross-Disbursement	‘SY’	MILDEP	DIFS

<u>INTERFACE</u>	<u>TRANSACTION</u>	<u>SYSTEM</u>	
		<u>FROM</u>	<u>TO</u>
FMS case collections	Case Control Summary File Interface	DIFS	MILDEP DSAMS
Assessment of surcharges (CAS, LSC, Administrative, Accessorials)	Case Control Summary and Line Item File	DIFS	MILDEP
Delivery adjustments for completed SDRs	‘NZ’	MILDEP	DIFS
Disbursement pre-validation requests	‘7’	MOCAS or other Entitlement System	MILDEP
Disbursement pre-validation responses	‘8’	MILDEP	MOCAS or other Entitlement System
Contract payments	‘9’	MOCAS or other Entitlement System	MILDEP
MILSTRIP		DAAS	MILDEP
		And	
		MILDEP	DAAS

C3.15. SSC PHASE RECONCILIATION MANPOWER FUNDING

Table C3.T9., below, gives manpower funding guidelines on SSC reconciliation efforts:

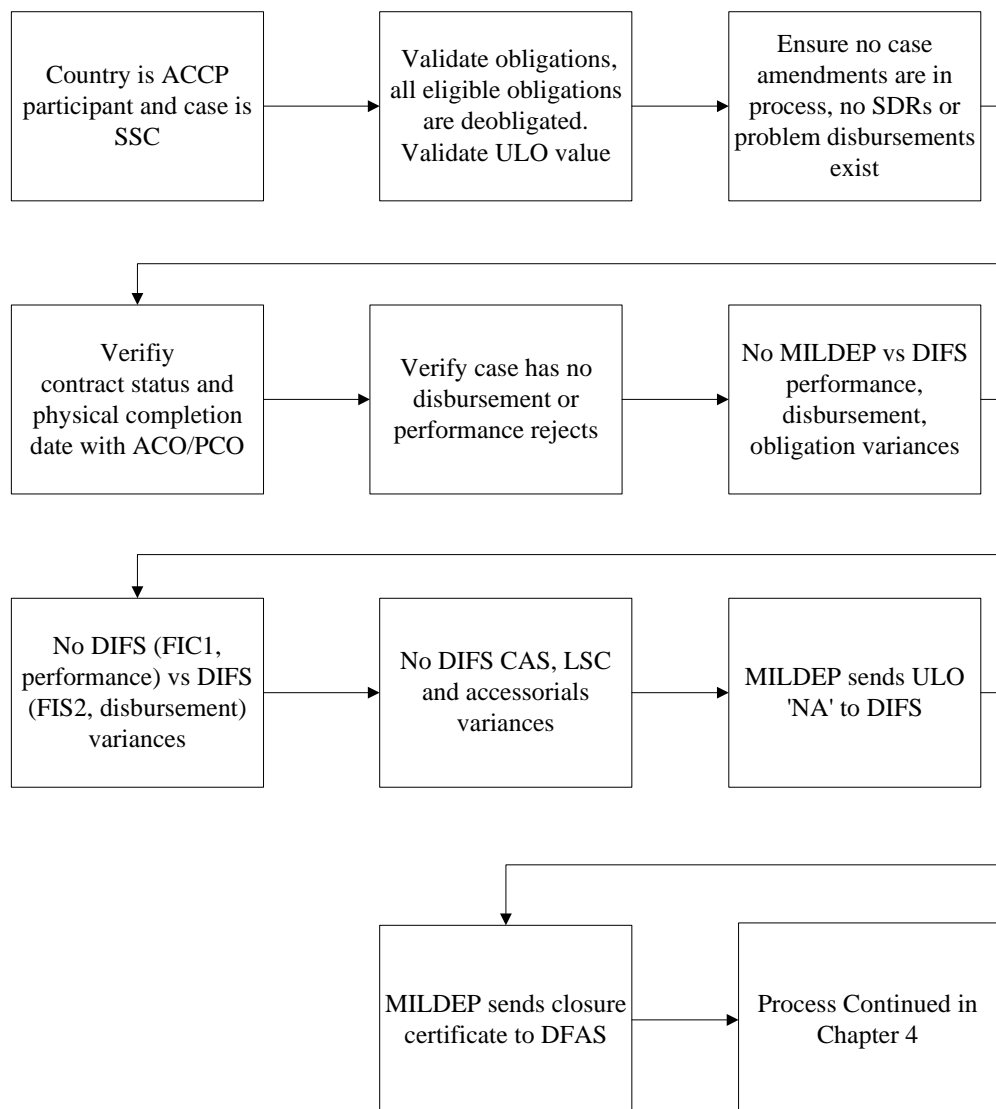
Table C3.T9. SSC Phase Reconciliation Manpower Funding

<u>RECONCILIATION FUNCTION</u>	<u>FUNDING SOURCE</u>
Reconciliation and closure efforts for SSC cases, including non-ACCP, ACCP, EACC, and DSCA-directed force closures.	FMS Administrative surcharge
Expedited SSC reconciliation and case closure efforts requested by the purchaser beyond normal financial management standards.	A line on a new or existing case is preferred, although a line on the case being reconciled may be used, as well.

### C3.16. SSC PROCESS SUMMARY FOR ACCP CASE WITH ULO

Figure C3.F4. shows the processes described in this chapter.

Figure C3.F4. Case Closure Preparation Actions for ACCP with ULO



C3.17. GENERAL POC MATRIX

Table C3.T10. shows the primary POCs for SSC phase reconciliation.

Table C3.T10. General POC Matrix for Reconciliation for Closure

<u>ORGANIZATION</u>	<u>OFFICE</u>
DSCA (Policy)	DSCA/FPS
DSCA (Execution)	DSCA/OPS-ADMIN
Army	AMSAC-OL-PA-CS
Navy	NAVY IPO (02CF)
Air Force	SAF/FMBIS
DFAS Denver	DFAS-ADYK/DE
DCMA	DCMA-FB